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March 17, 2000

VIA HAND DELIVERY

Magalie Roman Salas Secretary Federal Communications Commission The Portals - TW-A325 445 Twelfth Street, S.W. Washington, DC 20554

Re: Ex Parte

SBC Project Pronto CC Docket No. 98-141

ASD 99-49

Dear Ms. Salas:

Pursuant to Section 1.1206(b)(1) and (2) of the Commission's rules, 47 C.F.R. Section 1.1206(b)(1) and (2), this letter will provide notice that on March 16, 2000, on behalf of MGC Communications, Inc. d/b/a Mpower Communications Corporation ("Mpower") the undersigned and Eric Branfman of this firm, Francis D.R. Coleman, Vice President, Regulatory Affairs, Mpower, and John Boersma, Senior Vice President, Engineering and Network Technology, Mpower, met with Anthony Dale and Mark Stone of the Accounting Safeguards Division of the Common Carrier Bureau concerning issues in the above-captioned proceeding. We presented the views set forth in the attachment to this letter which was provided to Mssrs. Dale and Stone at the meeting. We stressed that Project Pronto could be implemented in a competitively neutral manner by affording adequate collocation at remote pedestals and providing T1 capability at UNE prices so as to permit provision of SDSL by competing carriers.

billedicity,

Patrick J. Donovan

cc:

Anthony Dale

Mark Stone

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Communications



Profile

- Founded in 1996, Mpower Communications Corp. (Formerly MGC Communications, Inc.) NASDAQ- MPWR
- Mpower is delivering the power of the internet to business customers nationwide over high-speed DSL (digital subscriber line) connectivity.
- One of the leading providers of facilities-based, integrated communication solutions using unbundled loops.
- Product offerings include
 - Fast internet access
 - Web hosting
 - Voice over DSL (VoDSL)
 - Local telephone
 - Custom calling features
 - Long distance services

mpower: History

- Under the leadership of president and CEO Rolla P. Huff, the company is in an aggressive growth stage
- Revenue for 1999 was more than \$55 million, up from \$18 million the year prior
- The company ranked 12th in the Bloomberg tech 100 listing of the fastest-growing technology companies in the U.S. based on sales growth for the 1999 fiscal year
- Mpower currently operates in Southern California (including Los Angeles, San Diego and Orange County), Chicago, Atlanta, Southern Florida and Las Vegas
- Mpower plans to expand its footprint nationwide, and by year's end intends to offer service in the top 50 markets in the U.S.
- Mpower is currently working to develop strategic arrangements with ecommerce companies, such as its agreement with Purchasepro.Com

Project Pronto Violates SBC's Obligation to Provide DSL-Capable Loops

- ILECs must provide loops capable of use for provision by CLECs of all DSL services.
- Fiber deployment is not a justification for providing limited capability loops.

The Proposed Implementation of Project Pronto Is Anticompetitive

- Limits CLECs to ADSL.
- Inadequate collocation space at pedestals and cumbersome, untimely, and uncertain process for obtaining collocation.
- SBC controls vendors, technology, and timing of provision of better services.
- Precludes competition in voice services that could be provided by voice over DSL.
- Along with poor provisioning of copper conditioned loops to CLECs, limits DSL competition.

Impact on Mpower

- Precludes provision of SDSL to customers served by Project Pronto Loops.
- Encourages poor UNE provisioning by SBC.

Waiver

- FCC should require complete information before considering the waiver.
- Whether granted or not, the waiver will not address SBC's anticompetitive deployment of fiber. The waiver is largely irrelevant to SBC's planned anticompetitive rollout of Project Pronto.

A narrow waiver may be accceptable.

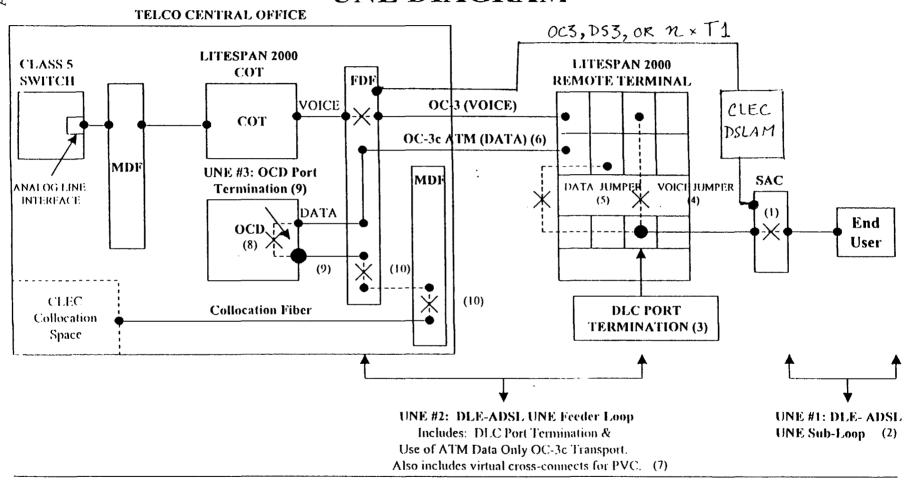
Competitively Neutral Solutions Are Available

- Make all varieties of DSL available
- Currently available software downloads to cards to facilitate DSL options.
- SBC can provide sufficient collocation space at pedestals or CEVs and in central offices to permit CLECs to provision fiber based service.
- SBC can deploy technologies that permit CLECs to obtain T1 capability (upstream and downstream) over fiber loops at DSL UNE prices.

Remedies

- Require competitively neutral implementation
- Separate proceeding to impose on all ILECs.
- Require further information:
 - map of wire centers
 - loop lengths
- Performance metrics/penalties

PRONTO: PRODUCT OVERVIEW UNE DIAGRAM



- (1) DLE ADSL SAC Cross Connect
- (2) UNE DLE-ADSL HFPSL
- (3) DLC Port Termination
- (4) DLC Virtual Circuit Voice

- (5) DLC Virtual Circuit Data
- (6) OC-3c Dedicated for Data
- (7) UNE DLE-ADSL Feeder
- (8) OCD Virtual Cross Connect

- (9) UNE OCD Port Termination (OC-3 or DS3)
- (10) OCD Cross-Connect to Collocation (or UDT)